

A photograph of the Clermont County Courthouse, a white neoclassical building with a prominent clock tower and a pedimented roof. The building is set against a clear blue sky with some light clouds. A semi-transparent dark blue banner is overlaid on the lower portion of the image, containing the title and date.

CLERMONT COUNTY 2023 RENEWAL UPDATE

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www.usi.com



Current State of the Union

- Medical & Rx claims YTD are running at 96% of expected 2022 claims cost
 - Pharmacy costs decreased 24% PEPY (per employee per year)
 - Pharmacy cost as a % of total medical dropped from 31% to 21%, below the USI national average of 23%
- Average number of covered members under medical dropped by 2%
- Projected increase to the medical/Rx plan is 5.5% = \$770,017 for 2023
 - Stop Loss final proposals are expected late September
- Factors influencing the 2023 renewal cost include:
 - Medical cost increase 34% PEPY
 - 86% increase in hospital use, and 20% increase in emergency room use
- All other benefits: multi-year contracts with no rate increase until 2024.



Renewal Summary

For January 1, 2023

Renewal Summary with Stop-Loss Assumption:

Plan	Carrier	Current \$	Renewal \$	\$ Change	% Change
Annual Administration Premium	UHC	\$674,983	\$687,644	\$12,661	1.9%
Annual Stop Loss Premium	Voya	\$964,337	\$1,018,791	\$54,454	5.6%
Annual Total Fixed Costs		\$1,639,320	\$1,706,435	\$67,115	4.1%
Annual Expected Claims Total		\$12,288,512	\$12,991,414	\$702,902	5.7%
Annual Maximum Claims Total		\$15,360,639	\$16,239,268	\$878,629	5.7%
Annual Total Expected Costs		\$13,927,832	\$14,697,849	\$770,017	5.5%

Stop-Loss Premium pending August claim totals – based on current competitive proposals, USI expects the premium to reduce to at least 5.6%

Health Insurance Eligibility Consideration

Currently Clermont County requires a waiting period to enroll in Medical insurance to be the first of the calendar month after an employee satisfies 60 days of employment

- Due to labor shortages and retention concerns, employers have been evaluating the availability of health insurance for new hires
- Since 2017, the percentage of large employers (over 200 employees) requiring a waiting period reduced from 73% to 67%
- The percentage of large employers providing no waiting period or just one month is 65%
- The two most common waiting periods are:
 - the first of the month following 30 days, and
 - 30 days from date of hire

Next Steps

- Determine how the 2023 project increase to medical will be funded
 - USI, HR, and OMB to meet with HCAC to discuss and recommend plan design, funding options, premium increases, change in eligibility period
- Final recommendations to the Board
- Finalize stop loss carrier proposal; select carrier
 - Recommendation to the Board
- An RFP was sent out for EAP services:
 - Review EAP RFP's
 - Recommendation to Board
- Schedule open enrollment – tentative October 27th thru November 10th
- Open Enrollment / Communications to employee
- Benefits Fair – October 25th
- Benefits effective January 1st , 2023

THANK YOU FOR YOUR TIME



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